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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Express Mortgage Lenders of America, Inc.
v.
Impac Funding Corporation

Cancellation No. 92032358

Allen M. Krass of Gifford, Krass, Groh, Sprinkle, Anderson & Citkowski, P.C. for Express Mortgage Lenders of America, Inc.

Joel B. Harris of Thacher Proffitt & Wood LLP for Impac Funding Corporation.

Before Quinn, Chapman, and Drost, Administrative Trademark Judges.

Opinion by Drost, Administrative Trademark Judge:

On September 1, 1998, the USPTO issued Registration No. 2,185,400 to respondent (now Impac Funding Corporation). The registration is for the mark PROGRESSIVE EXPRESS in typed or standard character form for "mortgage lending services" in Class 36. The registration is based on an application that was filed on December 30, 1996, and it contains a date of first use and first use in commerce of

December 2, 1996. The term "Express" has been disclaimed.

An affidavit under Section 8 has been accepted.

On August 20, 2001, Express Mortgage Lenders of America, Inc. (petitioner) filed a petition to cancel respondent's registration on the ground (pp. 2-3) that:

2. The Petitioner has used the service mark EXPRESS in connection with lending services, including specifically mortgage services, including mortgage brokering, funding and servicing, continuously in interstate commerce since its inception in 1984, and benefits from the use of its predecessor-in-interest dating back to January 1983.

3. The Petitioner owns the registration for the mark EXPRESS MORTGAGE BROKERS, INC. & Design. U.S. Registration No. 1,610,103 for mortgage brokerage services in International Class 36 (U.S. Classes 101 and 102). Petitioner's Registration is dated August 14, 1990...

4. The Petitioner owns a State of Michigan Registration for the mark "EXPRESS MORTGAGE," Registration No. M04-401 for mortgage and lending services...

9. If the Registrant is permitted to retain the registration sought to be cancelled, it would thereby obtain at least a prima facie exclusive right to the use of its mark, in direct conflict with Petitioner's exclusive rights deriving from its own subsisting registrations as well as its common law rights in connection with the EXPRESS mark for similar, if not identical services.

With its petition to cancel, petitioner submitted copies of its U.S. and Michigan registrations. In its answer, respondent denied the salient allegations of the petition to cancel.

The Record

The record consists of the following items: the file of the involved registration; the testimony deposition of petitioner's president, Maurice Janowitz, with accompanying exhibits; the testimony deposition of respondent's assistant vice president, Lonna Smith, with accompanying exhibits; the testimony deposition of respondent's investigator, Julia Sankey, with accompanying exhibits; and certified copies of petitioner's Michigan registration submitted by petitioner's notice of reliance.

Background

We begin our analysis by first determining what rights petitioner is asserting to support its argument that respondent's mark should be canceled because petitioner will be damaged. In its petition to cancel, petitioner refers to a federal registration for the mark EXPRESS MORTGAGE BROKERS, INC. & Design, a state registration for the mark EXPRESS MORTGAGE, and its common law rights in the word EXPRESS. Petitioner provided a photocopy of the U.S. registration with its petition to cancel, but it did not submit a status and title copy of the registration into evidence. There are several ways for a party to introduce a registration it owns into evidence in a board proceeding. The two most common ways are to attach to the petition to cancel two copies of the registration prepared and issued by

the USPTO showing both current status and title or to submit such copies under notice of reliance. 37 CFR § 2.122(d).

Petitioner did not attach current status and title copies of its federal registration to its petition to cancel and petitioner did not submit its federal registration under a notice of reliance. However, a party's registration will be considered to be of record if it is identified and introduced during the testimony period by a qualified witness who testifies concerning the status and title of the registration; by admission in the respondent's answer; or by respondent's treating the registration as being of record in its brief. TBMP § 704.03(b)(1)(A) (2d ed. rev. 2004).

Respondent did not admit the status and title of the petitioner's pleaded registration nor did it treat it as being of record. Petitioner's witness did not provide status and title information during his deposition. Indeed, its president responded to a question concerning whether it was currently using the mark in the U.S. registration with the response: "Not exactly in that form." Janowitz dep. at 81. Furthermore, in its brief, petitioner sets out the issue in the case as whether respondent's mark "should be canceled based upon a likelihood of confusion with the mark EXPRESS which was used, and registered in Michigan in the form of EXPRESS MORTGAGE, by Petitioner in connection with mortgage and lending services." Brief at 1.

Based on the record, we hold that the issue of confusion with petitioner's federal registration has been withdrawn and we do not further address this point. We also add that the ownership of a state registration does not establish use. Faultless Starch Co. v. Sales Producers Associates, Inc., 530 F.2d 1400, 189 USPQ 141, 142 n.5 (CCPA 1976); Philip Morris Inc. v. Liggett & Myers Tobacco Co., 139 USPQ 240, 244 (TTAB 1963). Therefore, the remaining issue before the board concerns petitioner's common law rights in the word EXPRESS.

In this case, petitioner's witness has identified numerous advertisements that show how it uses the mark. Below are a few samples (See Janowitz Exhibits 15, 20, and 22).

22



#20



15

The advertisement is for 'Express Low Rate Loan'. At the top, it says 'If you own a home and you need a loan get... CASH IN A FLASH! It's Easy With an Express Low Rate Loan!'. Below this, a cartoon of Homer Simpson is shown with a house on his back, labeled 'HOMER EQUITY'. To the right, a man and a woman are standing, with text saying 'NEED A LOAN? CALL EXPRESS WE'LL GET YOU MONEY FROM YOUR HOME FAST!'. Below them is a small box that says 'AS SEEN ON TV'. At the bottom left, a character labeled 'SPEEDY CASH' is shown with a speech bubble saying 'I CAN GET YOU SPEEDY CASH!'. The bottom right has the text 'CALL FOR EXPRESS CASH' and a small logo for 'EXPRESS LOW RATE LOAN'.

These ads ran in the 1980s and 1990s. See Janowitz dep. at 158-59, 175, 178-79. The witness specifically indicated that Exhibit 20, the Yellow Page advertisement ran "from 1984 to 1996 or 1997 or eight in various different sizes on an ongoing basis." Janowitz dep. at 175. The witness also testified (p. 191) that petitioner "currently advertises on the Internet with an Internet website that uses a portion of our jingle and video and a place where a borrower, prospective borrower can apply." Exhibit 32 is the homepage of petitioner's website. Mr. Janowitz (dep. at 150) testified: "I have never stopped using Express Mortgage. Since I started I have continually used the name in my advertising and promotional materials." Therefore, we cannot agree with respondent's argument (Brief at 16) that petitioner "has failed to establish actual, current use." Petitioner has provided evidence that not only has it used

its mark beginning in the 1980's, but also there is un rebutted testimony that it is still using its mark.

Next, we look at respondent's priority date. Respondent's underlying application was filed on December 30, 1996, and the application asserts a date of first use and first use in commerce of December 2, 1996. Certainly, respondent can rely on its filing date, December 30, 1996, as its priority date. Intelsat Corp. v. International Telecommunications Satellite Organization, 226 USPQ 154, 156 n. 5 (TTAB 1985) ("The earliest date of first use upon which Intelsat can rely in the absence of testimony or evidence is the filing date of its application"). Respondent's witness did not establish a date of first use prior to December 2, 1996, its date of first use in the application. See Smith dep. at 57 ("Q. Is it possible the decision to use the mark was made in July, but it wasn't actually sent into interstate commerce until December? Is that possible? A. That is possible"). The evidence does not support a date of priority for respondent before December 1996. Therefore, petitioner has established that it used the mark EXPRESS prior to respondent's earliest date of use.

However, the issue in this case is not simply who first used the term. A petitioner in a cancellation proceeding before the board must plead and prove that it has standing and that there is a valid ground for the cancellation of the

registration. Young v. AGB Corp., 152 F.3d 1377, 47 USPQ2d 1752, 1754 (Fed. Cir. 1998) ("Section 14 has been interpreted as requiring a cancellation petitioner to show (1) that it possesses standing to challenge the continued presence on the register of the subject registration and (2) that there is a valid ground why the registrant is not entitled under law to maintain the registration") (internal quotation marks omitted).¹

Inasmuch as petitioner is relying on common law rights, it is not simply enough to show when it used the mark.

Under the rule of Otto Roth, a party opposing registration of a trademark due to a likelihood of confusion with his own unregistered term cannot prevail unless he shows that his term is distinctive of his goods, whether inherently or through the acquisition of secondary meaning or through "whatever other type of use may have developed a trade identity." Otto Roth & Co. v. Universal Foods Corp., 640 F.2d 1317, 209 USPQ 40, 43 (CCPA 1981) [full citation added]. The Otto Roth rule is applicable to trademark registration cancellation proceedings as well.

Towers v. Advent Software Inc., 913 F.2d 942, 16 USPQ2d 1039, 1041 (Fed. Cir. 1990).

In this case, petitioner claims priority because of its ownership and rights in the term EXPRESS, which petitioner alleges is confusingly similar to respondent's registered mark PROGRESSIVE EXPRESS. The question then becomes whether the term "Express" is inherently distinctive for mortgage

¹ Petitioner's use of EXPRESS for mortgage lending services establishes its standing.

lending services and, if not, whether petitioner has demonstrated that the term has acquired distinctiveness, and whether the term acquired distinctiveness prior to December 1996 (that is, the earliest date upon which respondent can rely for priority).

Respondent argues that "'Express' is a descriptive mark indicative of the purported speed with which Petitioner provides its services." Brief at 16. Respondent refers to an online dictionary in its brief. Normally, the board does not take judicial notice of online dictionaries. In re Total Quality Group, Inc., 51 USPQ2d 1474, 1476 (TTAB 1999). However, we will take judicial notice of the following dictionary definition² of the adjective "Express": "direct, rapid, and usually making few or no stops: *an express train.*" *The American Heritage Student Dictionary* (1994). Respondent also points out that petitioner's president in response to the question "does [Express] have meaning to you as an adjective?" testified that: "I hope it means I am fast. I hope it means I am efficient." Janowitz dep. at 211. Furthermore, we note that the board has previously held that the term EXPRESS BANKING is merely descriptive for banking services because it described an important characteristic of the services in that "the services are

² University of Notre Dame du Lac v. J.C. Gourmet Food Imports Co., 213 USPQ 594, 596 (TTAB 1982), aff'd, 703 F.2d 1372, 217 USPQ 505 (Fed. Cir. 1983).

fast in the sense of saving time for banking customers." In re Wells Fargo & Co., 231 USPQ 106, 108 (TTAB 1986).

Petitioner uses the term "Express" in a similar manner in relation to its mortgage lending services. See Janowitz Exhibits 21 ("We offer low rates and fast, easy approvals" and "Money from your home FAST"); 25 ("At Express we have eighteen fast, easy, and convenient programs to choose from"); 26 ("EXPRES\$ gets you cash in a flash!" and "Money from your home fast!"); 27 ("Express Mortgage will get you ... Money from your home fast!"); and 28 ("Money from your home fast").

We agree with respondent's assertion that when prospective purchasers see the terms "Express" and "Express Mortgage" used in association with mortgage lending services, the term would merely describe that petitioner's mortgage lending services are rendered quickly. Therefore, the term is merely descriptive of petitioner's services.

The next question we must consider is whether petitioner has demonstrated that the term has acquired distinctiveness. The record (Janowitz Ex. 9) shows that petitioner has been engaged in litigation in which the district court addressed the questions of the descriptiveness of several of petitioner's EXPRESS marks and whether the terms have acquired secondary meaning. Express Funding Inc. v. Express Mortgage Inc., 894 F.2d 1095, 34

USPQ2d 1801 (E.D. Mich. 1995). In that case, the court held that because petitioner did "not present a substantive argument addressing inherent distinctiveness, [its] marks will be treated as descriptive." 34 USPQ2d at 1803. The court also noted that while "the mark 'Express' alone, is not descriptive of [petitioner's] services, the mark is shorthand for [petitioner's] longer marks, which are descriptive." Id. at n.8. The opposing party in that case did "not argue that the marks have no secondary meaning" and the court found that it "is undisputed that [petitioner's] marks have acquired some degree of secondary meaning." 34 USPQ2d at 1803.

Unlike the Express Funding case, respondent in the present case has vigorously disputed whether petitioner's mark has acquired secondary meaning. Brief at 19-23. In addition, petitioner has addressed the issue of secondary meaning, at best, in an indirect way when it argues that petitioner "has gained a most valuable reputation for its services in connection with the mark EXPRESS used in connection with lending services in its trading area" (Brief at 2) and it "has obtained a high level of good will and consumer recognition" (Brief at 4).

In this case, petitioner focuses its arguments on its recognition in the State of Michigan. See Petitioner's Brief at 2 ("Petitioner has used the mark EXPRESS in

connection with mortgage services in Michigan for over twenty years"). Indeed, petitioner's witness has testified that "We are now exclusively in Michigan." Janowitz dep. at 50. However, the fact that petitioner is using its mark in intrastate commerce instead of interstate commerce does not preclude it from petitioning to cancel respondent's registration. Corporate Document Services Inc. v. I.C.E.D. Management Inc., 48 USPQ2d 1477, 1479 (TTAB 1998) ("It is well established that rights in and to a trademark are created by use of the mark in either intrastate or interstate commerce"); Odom Sausage Co. v. Doscocil Sausage, Inc., 169 USPQ 379, 381 (TTAB 1971) ("Even though opposer's first date of use in interstate commerce was later than applicant's use in such commerce, opposer's prior use in intrastate commerce is sufficient to give it standing herein to oppose the registration by a subsequent user of the same or a similar design for like goods albeit the latter was the first to use the mark in commerce").

Furthermore, a mark may acquire a secondary meaning in intrastate commerce. Blanchard & Co. v. Charles Gilman & Son, Inc., 293 F. Supp. 827, 145 USPQ 62, 95 (D. Mass. 1965)³ ("I also find that the name 'Blanchard,' as used in this denominative or trademark fashion, acquired 'secondary

³ The district court's decision was subsequently appealed and affirmed on a different issue. 353 F.2d 400, 147 USPQ 263 (1st Cir. 1965).

meaning' in the Greater Boston area. I so conclude on the basis of the length of time (at least since 1947) that 'Blanchard' labels have been used by plaintiffs in a denominative fashion and on the basis of the local prominence which the name 'Blanchard' has gained over many years through plaintiffs' extensive advertising and promotional efforts").

Petitioner has submitted numerous examples of its advertising for its services. This evidence includes newspaper, phone directory, direct mailing, radio, and television advertising. Petitioner's witness testified (p. 157) that: "We advertise [in the] Detroit News, Free Press, many of the smaller papers Royal Oak Tribune, Oakland Press." These ads in the Detroit News included periodic full page ads. Janowitz at 167. In addition, petitioner sent out millions of copies of some its direct mail advertisements (See Janowitz dep. at 179, 182, and 184; Exhibits 23-25) and it used these types of ads over a twelve year period (Id. at 180). The mailings often were directed to Michigan addresses. Janowitz at 186. In addition, petitioner has submitted its proposed advertising budget for several months in 1992 and 1993 that indicated it had been spending approximately \$30,000 a month on various types of advertising. See Janowitz Ex. 8.

Reviewing the evidence of record, particularly petitioner's record of advertising in Michigan, we find that petitioner has established secondary meaning of its mark in intrastate commerce in Michigan. We also find that this occurred prior to respondent's earliest priority date in December 1996. We therefore hold that petitioner has priority of use of the term EXPRESS and we now proceed to the question of whether there is a likelihood of confusion between petitioner's EXPRESS mark and respondent's PROGRESSIVE EXPRESS mark.

Likelihood of Confusion

At this point, we note that "a presumption of validity attaches to a service mark registration, and the party seeking cancellation must rebut this presumption by a preponderance of the evidence." West Florida Seafood Inc. v. Jet Restaurants Inc., 31 F.3d 1122, 31 USPQ 1660, 1662 (Fed. Cir. 1994). See also Cerveceria Centroamericana S.A. v. Cerveceria India Inc., 892 F.2d 1021, 13 USPQ2d 1307, 1309 (Fed. Cir. 1989) ("[I]n a cancellation for abandonment, as for any other ground, the petitioner bears the burden of proof. Moreover, the petitioner's burden is to establish the case for cancellation by a preponderance of the evidence"); Martahus v. Video Duplication Services Inc., 3 F.3d 417, 27 USPQ2d 1846, 1850 (Fed. Cir. 1993). Therefore,

petitioner must establish that there is a likelihood of confusion by a preponderance of the evidence.

In a case involving a refusal under Section 2(d), we analyze the facts as they relate to the relevant factors set out in In re Majestic Distilling Co., 315 F.3d 1311, 65 USPQ2d 1201, 1203 (Fed. Cir. 2003). See also In re E. I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1973); and Recot, Inc. v. Becton, 214 F.3d 1322, 54 USPQ2d 1894, 1896 (Fed. Cir. 2000).

The first factor we will consider concerns the relatedness of the services. We must consider the services as they are identified in the involved registration. Paula Payne Products v. Johnson Publishing Co., 473 F.2d 901, 177 USPQ 76, 77 (CCPA 1973). In this case, respondent's services are identified as "mortgage lending services." Petitioner's advertisements make it clear that it is also engaged in mortgage lending. See, e.g., Janowitz Ex. 20 ("Low rate home loans"). Therefore, the services of the parties are virtually identical, that is, mortgage lending.

"When marks would appear on virtually identical goods or services, the degree of similarity necessary to support a conclusion of likely confusion declines." Century 21 Real Estate Corp. v. Century Life of America, 970 F.2d 874, 23 USPQ2d 1698, 1701 (Fed. Cir. 1992). Respondent's argument (Brief at 33) that the services of the parties are different

because it "is involved in the acquisition and securitization of certain types of loans (non-conforming) from particular sources (established conduit sellers)" is not persuasive. Respondent admits (Brief at 33) that petitioner "is involved in real estate mortgage lending" and respondent's identification of services is broadly set out as "mortgage lending services." Therefore, the parties' services consist of or include mortgage lending services. Also, because the marks are used on the same services, we must assume that the channels of trade and prospective purchasers are the same.

Next, we consider the marks of the parties. We have considered petitioner's mark to be for the term EXPRESS. Respondent's mark is PROGRESSIVE EXPRESS. "The first *DuPont* factor requires examination of the similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression." Palm Bay Imports Inc. v. Veuve Clicquot Ponsardin Maison Fondee En 1772, 396 F.3d 1369, 73 USPQ2d 1689, 1691 (Fed. Cir. 2005) (internal quotation marks omitted). The marks are obviously similar to the extent that both marks contain the same word "express." Conversely, the marks are different because respondent adds the word "progressive" as the first word in its mark. The presence of the word "progressive" makes the pronunciation and appearance of the

marks somewhat different. Regarding the meaning of the marks, we have previously indicated that the term "express" would have a descriptive meaning in the context of mortgage lending. Petitioner's advertising emphasizes the speed of its services, e.g. "We'll get you money from your home fast." Respondent's use of the term "express" also emphasizes the speedy or streamlined nature of its services. See, e.g., Smith dep. at 48 ("Q. So the Progressive Express Program [has] the same parameters as the progressive program, but it just requires less information for the application? A. Less documentation, generally speaking, yes. Q. And the Progressive Express No Doc Program requires no documentation? A. No documentation."). Respondent has also disclaimed the term "Express." Therefore, while the term "express" should have the same meaning in both marks, this meaning would be a descriptive significance. When the meanings of the marks are considered as a whole, respondent's mark also adds the word "Progressive" that would likely indicate the name of the "express" mortgage lending services. Finally, the commercial impressions would be somewhat different because respondent's mark directs the purchaser to the "express" part of respondent's PROGRESSIVE mortgage lending services. Petitioner's EXPRESS mark would create a different commercial impression to the extent that

it would simply describe mortgage lending services that are provided quickly.

Another factor that we consider is the number and nature of similar marks in use on similar services. Petitioner admits that "I have heard of a lot of Expresses in connection with mortgage lending." Janowitz dep. at 147. Petitioner also indicated that if mortgage lending companies "are not operating in the state of Michigan and have no intent in operating in the state of Michigan, if I can be assured that they are not operating, infringing on my rights, then there is no basis of settlement." Janowitz at 148.

In an attempt to show that even in Michigan, the term "Express" is used by others in association with mortgage lending, respondent hired an investigator to research the issue. The witness, Julia Sankay,⁴ submitted a report (Sankey Ex. R-2) and testified that she found the following mortgage services operating in Michigan that use the term "express" or a variation in their business name or service mark: MORTGAGE XPRESS, mortgage broker; MORTGAGE EXPRESS, Wells Fargo Home Mortgage, Inc. mortgage broker; AMERICAN EXPRESS mortgage division; and BFS EXPRESS HOME LOAN for wholesale home loan and mortgage services for brokers; FLEX

⁴ Petitioner's counsel did not attend the deposition and did not object thereto.

EXPRESS for a web-based automated underwriting system available to licensed mortgage brokers; WWW.WFSEXPRESSION.COM for providing clients with information regarding personal loans and mortgages; BUSINESS LOAN EXPRESS that is a small business real estate lending corporation; INDYMAC EXPRESS for refinancing services; and NEXSTAR EXPRESS a mortgage processing service. The witness testified that she contacted each company to confirm that they were offering "mortgage or financial services with some variation of the word express in Michigan." Sankey dep. at 29-30.

This evidence shows that the use of the term "Express" by others in association with mortgage services in Michigan, the only area where petitioner asserts exclusivity, is not unusual. It appears to be a relatively common term used in association with mortgage services to indicate that mortgages are processed swiftly or with a minimum of paperwork. See, e.g. Sankay Ex. R-6 (Wells Fargo Mortgage Express - "You've built a strong credit rating. Now you can reap the rewards of your demonstrated financial responsibility with convenient, streamlined financing from *Mortgage Express*, our reduced paperwork option").

Therefore, the evidence convinces us that "express" would not be a term that potential customers would view as a very distinctive term for mortgage lending services.

We also add that while petitioner argues that its mark has obtained "a high level of goodwill and consumer recognition" (Brief at 4), the evidence is not supportive of this argument. While petitioner has included numerous advertisements and some evidence of its advertising expenditures, we do not have any context for these expenditures and advertisements. In addition, the advertisements appear to be somewhat dated and there is little evidence of their impact on prospective purchasers. Regarding petitioner's efforts to police its mark, we note that many of these enforcements reference petitioner's ownership of a federal registration, a fact not present in this case. See Janowitz Ex. 9 at EMB-183 to 192.

When we consider all the evidence of record, we conclude that there are significant differences in the marks. The use of other marks and trade names that include the word "Express" indicate that the term by itself is not a very strong term nor is it entitled to a broad scope of protection in the field of mortgage lending services. Furthermore, the term "Progressive" is a term that at best has only some suggestive connotation. It significantly changes the connotation of respondent's mark and emphasizes the descriptive nature of the term "Express." Therefore, we conclude that petitioner has not met its burden of showing that there is a likelihood of confusion in this case.

Cancellation No. 92032358

Decision: The petition to cancel is denied.